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E.O. 12958: DECL: 07/09/2017

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SUBJECT: NETHERLANDS: DEFENSE PRIORITIZES EXPEDITIONARY  
FORCES, PERSONNEL

Classified By: CDA Michael Gallagher, reasons 1.4 (b,d)

¶1. (C) Summary: In response to a request from the Dutch Parliament, Defense Minister Eimert van Middelkoop sent a letter explaining defense priorities leading up to the presentation of the 2007 defense budget in September 2008. Van Middelkoop noted that not all defense priorities (notably the Joint Strike Fighter (JSF) program and the C-17 strategic airlift initiative) are covered in the letter. He depicted a Ministry of Defense undergoing an intense period of transformation, and overstretched by challenging deployments overseas. In order to maintain the MOD's goal of an expeditionary Dutch military -- and coupled with required "efficiency measures" across the government -- van Middelkoop announced a number of operational cuts and required improvements. He also stressed the importance of supporting MOD personnel, which have been placed under considerable strain due to budget constraints and overseas deployments. End summary.

#### Transformation and Personnel

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¶2. (SBU) Prior to the summer parliamentary recess, Defense Minister van Middelkoop submitted a letter to Parliament in response to questions regarding defense priorities. He cautioned that while the letter details the "main contours of policy," it does not discuss all intended changes for coming years. The letter notes that a more detailed explanation of defense policy will be made in conjunction with the presentation of the 2008 defense budget in September 2007.

¶3. (SBU) In the letter, van Middelkoop highlighted the on-going defense re-organization, which began in 2003. He noted the MOD has undergone considerable change in a short period of time, while "personnel and assets have been deployed under difficult circumstances, chiefly in Iraq and Afghanistan." This "period of transformation," especially with increased deployments overseas and attempts to reorganize the Dutch military into an expeditionary force, has led to "uncertainty among personnel," van Middelkoop argued. As such, the MOD will focus its attention on its personnel.

¶4. (SBU) That said, van Middelkoop stated that the MOD cannot rule out additional changes to the size and composition of the Dutch armed forces -- especially in the attempt to "support stable development" and "prevent new imbalances." Like all government ministries, the MOD has been forced to meet "efficiency targets," or a ten percent cut across the

board. This creates a certain tension within the MOD -- as van Middelkoop noted in the letter, "our intentions include reinforcements at the operational level and for the personnel," but "internal measures aimed at keeping the organization and its activities affordable" must also be implemented.

#### Budget Constraints: Cuts...

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15. (SBU) Van Middelkoop's letter noted the coalition accord of the new government allocates 500 million euros in supplemental funding. Half of this sum is intended for "selective improvements"; the other half will finance crisis management operations. A comparable amount must be freed up to finance intended improvements fully; this entails prioritizing items within the defense budget. As a result, the Dutch have opted to delay, cancel or decrease some main weapons systems, with the ultimate goal of maintaining the expeditionary capability of the armed forces. The following have been identified by the MOD as necessary and acceptable reductions and cancellations:

- Reduction of two tank squadrons, involving a total of 28 Leopard II tanks (bringing the total number of Leopard II tanks from 88 to 60)
- Reduction of two gun batteries, involving a total of twelve mechanized howitzers (bringing the total number of mechanized howitzers from 36 to 24)
- Reduction of eighteen F-16 fighter aircraft (bringing the total number of operational F-16s from 90 to 72). Five squadrons will decrease in size; fifteen F-16s will be available for training and instruction.
- Cancellation of the MALE UAV and Tactical Tomahawk

projects.

- No further funding for the NATO Air Ground Surveillance program
- Disbandment of the company of marines on Curacao, to be replaced by military personnel deployed on a rotational basis. The Royal Netherlands Army Command companies will be deployed for that purpose. The presence of the company of marines on Aruba will continue.
- Reduction of 70 posts associated with the establishment of the Royal Netherlands Marechaussee Command.

... and Improvements

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16. (SBU) At the same time, van Middelkoop argued in the letter that a number of measures must be taken to enhance defense capabilities. These include:

- Enhancing the "chain of intelligence"
- Enhancing security and protection of deployed personnel, for example against IED attacks
- Improving personnel and logistical capabilities to sustain Apache helicopter operations, which have proven indispensable in assisting ground forces
- Setting up a permanent, joint headquarters to improve command and control over on-going operations
- Enhancing "Network Enable Capabilities" in order to promote operational cooperation in an international context while providing commanders at all levels identical -- and preferably real-time -- information
- Expanding the capabilities for civil-military cooperation as winning the "hearts and minds" of the local population increases the safety of troops and mission effectiveness
- Enhancing the supply of information in the administrative and operational domain

Continued Expeditionary Role; Africa?

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17. (SBU) These types of cuts and improvements are necessary in order to participate in deployments such as the Dutch ISAF mission in Afghanistan, Dutch contributions to the UN missions in Lebanon (UNIFIL) and Sudan (UNMIS), the NATO

Training Mission in Iraq (NTM-I), and the EU mission in Bosnia-Herzegovina. Van Middelkoop noted that the MOD is "simultaneously preparing" for missions with a higher level of ambition as well as early-entry operations "in which military superiority has to be achieved rapidly." The overseas deployment of the Royal Netherlands Marechaussee in international police missions may also be necessary. Finally, while currently focused mainly on Afghanistan, van Middelkoop stated the MOD is also concentrating on other future deployments, particularly in Africa.

#### NATO Response Force/EU Battlegroups

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¶8. (SBU) Van Middelkoop reiterated in the letter that the Dutch will make substantial contributions to the NATO Response Force (NRF) in coming rotations. In the first six months of 2008, the Dutch contribution to NRF 10 will comprise some 2,400 military personnel, including leadership of the land component for the German-Dutch Corps headquarters. The Netherlands has offered to command the amphibious task force for NRF 12 (first half of 2009); two landing platform docks are included in that offer.

¶9. (SBU) In addition, the Dutch will contribute 800 of the total 2,000 troops in a EU Battlegroup with Germany and Finland; this obligation runs until June 30, 2007. In the first six months of 2010, the Dutch will form a battlegroup with the United Kingdom, followed by a second rotation of the battlegroup with Germany and Finland -- under Dutch leadership -- during the first six months of 2011. Van Middelkoop states the GONL is currently considering whether to extend its ISAF mission in Afghanistan; this decision could affect Dutch commitments to the NRF and the EU Battlegroups.

#### It's All About the Personnel

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¶10. (SBU) While maintaining the deployability of the military is a key goal, van Middelkoop stressed relieving pressure

placed sometimes disproportionately on MOD personnel. He stated the reduction of operational assets or planned cuts necessary to meet "efficiency measures" will not entail forced or involuntary dismissals; such personnel can be used to "ease problems in other areas of the organization," including especially support functions.

¶11. (SBU) Van Middelkoop pointed to a number of factors outside the GONL's control that can and will influence MOD personnel decisions, including positive economic trends and low recruitment numbers in a competitive labor market. As such, he noted the MOD will initiate special efforts to hire women and immigrants, and create internships to interest young persons in a career in the armed forces. Van Middelkoop also stressed the importance of creating a safe work environment, answering concerns regarding the sexual harassment scandal that tarnished the Dutch Navy last year. Finally, with an overstretched military deployed in challenging locales, van Middelkoop highlighted the need to pay more attention to the physical and mental well-being of MOD personnel.

#### Public Reaction

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¶12. (C) Van Middelkoop's letter received mixed reviews from labor unions and parliamentarians. The military unions reacted negatively, suggesting it was naive to think that cuts in operational capabilities would not lead to additional personnel cuts. Dutch press speculated that over a 1,000 jobs would be lost. Labeling MOD a "sinking ship," the unions called for more money to be allocated for defense. Parliamentary responses ranged across the political spectrum, from "not enough" (Socialists), to "cannibalization" of the MOD (Liberal Party). Many were pleased with the focus on personnel, including Labor Party

(PvdA) spokesperson Angelien Eijssink. Van Middelkoop also recently suggested affixing the defense budget as a percentage of GDP, which was widely panned as a step too far.

Comment

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¶13. (C) While many of these cuts (TACTOM, UAV) were expected and had been in the works for quite some time, the public perception is that the cuts are being made to salvage the Dutch mission in Uruzgan. Van Middelkoop and FM Verhagen have repeatedly noted that funding for the Uruzgan mission originates from the MFA and Development budgets. However, there is some truth to the argument that Uruzgan is placing pressure on the MOD budget, which is responsible for ammunition and equipment maintenance of the mission. The defense budget is tight, and cost overruns have hurt defense investments, but painting a dour defense budget situation also remains part of van Middelkoop's strategy to obtain more money for his ministry. Meanwhile, the MOD continues to look at extending in Afghanistan and possible missions in Africa.

¶14. (C) Notably absent from this prioritization letter were any mention of the Joint Strike Fighter (JSF) program and the C-17 strategic airlift initiative -- both will no doubt be addressed when van Middelkoop presents the defense budget this fall. The JSF purchase remains contingent on the coalition accord's request for an independent third party review early next year. Many critics suggest that if the Dutch can reduce its F-16 fleet by a squadron, then perhaps the planning number of 85 joint strike fighters may be too high. The C-17 initiative was incorrectly reported by the press to be a casualty of these operational cuts. C-17 is a top priority for the Dutch, but funding remains an obstacle. MFA Political Director Pieter de Gooijer told emboffs July 2 that the MOD and MFA are working together to ensure that the Dutch can afford the initiative.

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